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UNCLAS TEL AVIV 001246

SIPDIS

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XOXO
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
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E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- [11. Mideast](#)
- [12. Iran](#)
- [13. PM Olmert's Performance](#)

Key stories in the media:

Ha'aretz reported that the US administration has presented Israel and the PA with benchmarks by which the sides will be required to abide, in accordance with a calendar set in Washington. Ha'aretz said that the plan focuses on the equation "freedom of movement in exchange for security." Israel is supposed to expand the activity of the crossings with the Gaza Strip and remove roadblocks in the West Bank. The Palestinians will have to complete the reorganization of the security forces under Abbas's authority.

Ha'aretz reported that on Thursday US Ambassador to Israel Richard Jones and US security coordinator Gen. Keith Dayton presented the document to Olmert's bureau. The newspaper wrote that a discussion will take place in Jerusalem next week to formulate a response to the document. Ha'aretz wrote that a few days ago the US presented its proposal to the PA.

Israel Radio and other leading media said that CBS-TV reported on Thursday that a new intelligence report says Iran has overcome technical difficulties in enriching uranium and could have enough bomb-grade material for a single nuclear weapon in less than three years. However, US intelligence officials reportedly caution that before Iran could meet or beat that 2010 date, it would have to make further technical progress in operating a uranium enrichment plant now under construction. The radio and Yediot cited CBS-TV as saying that Israel is the country most threatened by Iran's nuclear arming.

Former senior CIA official Bruce Riedel was quoted as saying on Thursday that the new intelligence increases the chances of an Israeli attack on Iran.'

Based on a story in the London-based Al-Quds Al-Arabi, which quoted Palestinian sources, the Jerusalem Post's web site reported that Palestinian Authority Chairman [President] Mahmoud Abbas and Hamas's Damascus-based leader Khaled Mashal are scheduled to meet with Egyptian General Intelligence chief Omar Suleiman in Cairo this weekend to discuss the issue of captured IDF soldier Cpl. Gilad Shalit.

The Jerusalem Post reported that on Thursday the IDF held intensive training maneuvers in preparation for a feared Syrian attack on the Golan Heights.

Ahead of the publication of the interim report of the Winograd Commission on Monday, both Ha'aretz and Maariv cited testimonies by senior IDF officers that missed intelligence could have foiled the kidnapping of the two IDF soldiers on July 12 last year. Maariv reported that former OC Northern Command Maj. Gen. Udi Adam unsuccessfully warned then IDF chief of staff Lt. Gen. Dan Halutz that soldiers may be abducted. Leading media reported that PM Ehud Olmert's closest aides have drawn up strategies toward the report's publication. Maariv quoted senior Kadima members as saying that they do not intend to topple Olmert at this time. Yediot reported that State Comptroller Micha Lindenstraus will ask Attorney General Menachem Mazuz to hold a criminal investigation of Olmert regarding suspicions that he had received a bribe in connection with the acquisition of a home on Cremieux Street in Jerusalem. The newspaper wrote that the comptroller will not issue a report about the affair.

Israel Radio quoted European Union envoy Louis Michel as saying on Thursday that the EU will not provide direct aid to the PA until it meets the International Quartet's three conditions. He was speaking to reporters in Tel Aviv. Michel was quoted as saying that Hamas's military wing, and not the Palestinian government, should be blamed for rocket launchings at Israel. Michel criticized Israeli policy, notably the erection of the security fence in the West Bank.

Ha'aretz quoted Olmert aides as saying on Thursday that Olmert will appoint a finance minister in May, after agreeing on a candidate with Attorney General Mazuz. This indicates that Olmert intends to hold the treasury for a few weeks at most. The media reported that on Thursday Mazuz instructed Olmert to appoint an acting finance minister as soon as possible. He told Olmert that he could not keep the finance portfolio himself, in view of the investigation into his involvement in the sale of Bank Leumi, Israel's second largest bank, as this would put Olmert directly in charge of the officials being questioned as part of the investigation. However, Mazuz did not give Olmert a time limit for appointing an acting finance minister.

Maariv reported that Yehiel Horev, the Defense Ministry's head of security, will soon retire after 40 years of public service.

Israeli Ambassador to the US Salami Meridor was quoted as saying in an interview with Maariv that the nuclear threat tops his embassy's order of priorities. Meridor was quoted as saying that the issue in every conversation with the US administration, Congress, and all his US contacts. The Jerusalem Post featured grassroots efforts and a flurry of bipartisan legislative initiatives in the US currently trying to squeeze foreign investment in Iran, and with it the Iranian economy. Right-wing French politician Jean-Marie Le Pen was quoted as saying in an interview with Makor Rishon-Hatzofe that, if elected French president, conservative Nicolas Sarkozy may support an offensive against Iran. The Jerusalem Post quoted Croatian President Stipe Mesic as saying that he is resisting what he termed "heavy pressure" to visit Iran until Tehran stops denying the Holocaust and calling for Israel's destruction. Mesic made the comments in talks with Zagreb with visiting VP Shimon Peres.

The Jerusalem Post quoted Khalil Abu Lailah, a senior Hamas official in the Gaza Strip, as saying on Thursday that Hamas will resume its efforts to try to kidnap Israeli soldiers to trade them for Palestinians held in Israeli jails.

The Jerusalem Post reported that former US Defense Secretary William Cohen told the newspaper on Thursday that the US would be inclined to allow the sale of advanced stealth F-22 fighter jets to the IAF if Israel's security was in jeopardy.

Ha'aretz reported that, speaking before the National Jewish Democratic Council this week, the Democratic presidential candidates "promised everything: support for Israel and a dialogue with Iran."

Ha'aretz cited a wire report published by the German news agency DPA quoting the Egyptian Interior Ministry as saying that on Thursday Egyptian security forces foiled a Palestinian terrorist attack against Israeli tourists in the Sinai.

Ha'aretz reported that in the draft of his new book, "A Breakout Political-Security Grand Strategy for Israel," Prof. Yehezkel Dror, a member of the Winograd Commission, advocates unconditional talks with Syria. Dror wrote: "Israel does not always have to follow the United States' policy line. Sometimes it is preferable to encourage the US to open talks with a "boycotted" party, when it benefits Israel and also, according to Israel's best judgment, benefits the US dialogue with Syria after the war in the North is an example of this."

Ha'aretz quoted police sources as saying in Thursday that, unless former MK Azmi Bishara returns to Israel for a police interview within a reasonable period of time, he may be declared a 'fugitive from justice.'

The Jerusalem Post reported that last summer Boaz Ganor of the Interdisciplinary Center Herzliya and Mitchel Wallerstein, dean of the Maxwell School of Citizenship and Public Affairs at Syracuse University, a former deputy assistant secretary of defense, established a team to chart new rules of war for insurgencies.

The Jerusalem Post reported that in Jerusalem on Thursday 300 Israeli and 100 Palestinian doctors and other professionals took place in the First International Congress on Chronic Disorders in Children.

All media reported that the US dollar dropped to 4.014 shekels on the Tel Aviv financial market -- a 7-year low. Yediot and Maariv cited major economic newspapers in the world as saying that Bank of Israel Governor Stanley Fischer is the leading candidate to replace Paul Wolfowitz as president of the World Bank.

11. Mideast:

Summary:

Senior op-ed writer Akiva Eldar commented in the independent, left-leaning Ha'aretz: "It is far more convenient for Olmert to dump the Gaza escalation in the lap of Palestinian Prime Minister Ismail Haniyeh than to discuss a cease-fire (tahadiyah) in the West Bank with Palestinian Authority Chairman Mahmoud Abbas."

Oded Eran, Israel's Ambassador to the NATO institutions and the European Union, wrote in Ha'aretz: "The Assad family has waited slightly less than 40 years to rule the Golan Heights again; let it wait another few years until the heart of the conflict is resolved."

Block Quotes:

II. "Endgame in Damascus and Gaza"

Senior op-ed writer Akiva Eldar commented in the independent, left-leaning Ha'aretz (4/27): "Olmert expects that just as Israel disengaged from the Gaza Strip, the West Bank too will disengage from Gaza. Israel can assassinate nine Palestinians in the West Bank, few of them Hamas operatives, on Independence Day eve, but Hamas has to keep from firing on Sderot from Gaza on Independence Day. It is far more convenient for Olmert to dump the Gaza escalation in the lap of Palestinian Prime Minister Ismail Haniyeh than to discuss a cease-fire (tahadiyah) in the West Bank with Palestinian Authority Chairman Mahmoud Abbas. In his last meetings with Olmert, Abbas reiterated his request to expand the cease-fire to the West Bank. The prime minister was not ready to listen. A comprehensive cease-fire is the first step in the Arab League's peace initiative. So what if Olmert welcomed that initiative? What is the connection?"

II. "Why Syria Must Wait"

Oded Eran, Israel's Ambassador to the NATO institutions and the European Union, wrote in Ha'aretz (4/27): "The heart of the Israeli-Arab conflict is the Israeli-Palestinian conflict. All the other components of the former revolve primarily around the question of borders.... Until the Israeli-Palestinian conflict is resolved, the Israeli-Arab conflict will continue either to simmer on a low flame or even to boil over.... Few would dispute the assertion that the Israeli political bridge is incapable of supporting two peace processes, a Syrian and a Palestinian one, at the same time.... It is our duty to resolve, first and foremost, the Israeli-Palestinian conflict and, under the right conditions for negotiations, to dedicate all our internal political resources to it. The State of Israel must not give the Palestinians the message that it is now abandoning the resolution of the conflict with them and that they should be so kind as to come back when the complex process of peace with Syria is completed. The Assad family has waited slightly less than 40 years to rule the Golan Heights again; let it wait another few years until the heart of the conflict is resolved."

12. Iran:

Summary:

The conservative, independent Jerusalem Post editorialized: "The more pertinent question is how [the US presidential] candidates will steer the American ship of state through the wider storm -- the global conflict between Islamo-fascism and the West, between Iran and the United States."

Block Quotes:

"Iran and the Democrats"

The conservative, independent Jerusalem Post editorialized (4/27): "It would be a mistake ... for Israelis -- who will be dramatically affected by the American foreign policy -- to measure American candidates solely by their attitudes toward the Arab-Israeli

conflict. All express strong support for Israel, which should be accepted as sincere and reflective of the great majority of Americans. The more pertinent question is how these candidates will steer the American ship of state through the wider storm -- the global conflict between Islamo-fascism and the West, between Iran and the United States. As this conflict goes, so go the prospects for peace in this region and in the world.... It is somewhat absurd [for Senator Hillary Rodham Clinton] to suggest [before a Jewish forum this week], given years of European-led negotiations and painstaking UN Security Council deliberations, that the US could be understood as pursuing force as a first resort. Such statements make one wonder, for all the talk that Iran must be stopped, whether the Democrats would confront only terrorist groups, like al-Qaida, or also the regimes behind them.... So far, the Democratic position seems to be just two parts engagement, one part hamstringing the White House, and no parts urging stronger and faster international action. If the Democrats want anyone -- Americans, Israelis, or Iranians -- to take their foreign policy stance seriously, the balance should change."

13. PM Olmert's Performance:

Summary:

Senior columnist Nahum Barnea wrote in the mass-circulation, pluralist Yediot Aharonot: "On Monday, the Winograd Commission [probing the Second Lebanon War] is scheduled to publish its partial report.... Olmert has a fair chance of surviving the first wave."

Block Quotes:

"The Celebration Starts"

Senior columnist Nahum Barnea wrote in the mass-circulation, pluralist Yediot Aharonot (4/27): "On Monday, the Winograd Commission [probing the Second Lebanon War] is scheduled to publish its partial report.... The attention will be focused on one person: Ehud Olmert. Those who pressed to form a commission of inquiry, hoped that it would make it possible to end the debate over the war.

The report will do the opposite: It will start off another round of debate. Each side will brandish the quotes that suit it. Olmert presumes that he can look forward to two difficult weeks in the tribunal of public opinion. Afterwards, he hopes, he will be able to reinvent himself, to rise the next morning and start anew. In order to get through the first two weeks safely, Olmert took a slight turn to the left. His assumption is that diplomatic moderation is a media relaxant. Give them, those who are known as 'public opinion makers,' a Saudi initiative, and they will calm down. The headlines will soften up.... Olmert has a fair chance of surviving the first wave. His aides say that immediately afterwards he will create the 'second Olmert government.' Many of Israel's leaders lost the public's confidence and were then given a second chance. The list is respectable: Rabin, Sharon, Begin in a certain sense, Dayan, and recently Netanyahu and Barak. None of them succeeded in rehabilitating themselves during their terms of office.

They all rebuilt themselves from the outside, from the opposition. Olmert believes that he will be the first to succeed. Blessed is the believer."

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